

State of Montana Cost Allocation System

In accordance with §2-9-202, MCA, the Risk Management & Tort Defense Division is responsible for the allocation of insurance premiums to state agencies subject to appropriations by the Legislature.

The philosophy of the Risk Management & Tort Defense Division is that each state agency should bear a proportionate share of premium commensurate with state loss experience and exposure.

The division incurs significant expense in the investigation, defense, and settlement of claims and lawsuits. Agencies with higher losses will pay higher insurance premiums. No one agency is expected to bear the burden of paying for total costs of unexpected losses from its authorized budget.

The Risk Management & Tort Defense Division allocates insurance premium as provided in the 2013 Biennium Decision Package Summary as follows:

Auto

Total auto premium collections of \$1,135,000 each year of the biennium is comprised of two separate insurance coverages:

	FY 2012	FY 2013
Auto comp/collision	\$465,814	\$515,379
Auto liability	\$669,186	\$619,621

Auto comp/collision premiums for FY 2012 and FY 2013 are based upon total values of reported vehicles.

Auto liability premiums for the 2013 biennium will be based upon agency losses over the past 4 years as well as the number of vehicles reported and will vary by agency.

Aviation

Aviation premium of \$212,451 in FY 2012 and FY 2013 is allocated to those agencies that have aircraft based upon charges from commercial insurance carriers for each aircraft, depending on the year, make, model, and value of the aircraft. Airport premium is apportioned to those agencies that have airports based upon the number of airports.

General Liability

Total general liability premium of \$6,750,000 each year of the biennium is comprised of commercial coverage and self-insured coverage as follows:

	FY 2012	FY 2013
Commercial coverage	\$ 72,951	\$ 72,951
Self-insured coverage	\$6,677,049	\$6,677,049

Commercial coverage charges are negotiated with commercial insurance carriers.

General liability rates for each agency will remain the same for the 2013 biennium; however premiums by agency may vary slightly to changes in exposure (i.e. # of FTEs).

Property

Property insurance premium of \$4,200,000 is allocated to each agency based on its percentage of reported exposures (i.e. building replacement cost values, boilers & machinery, etc.).

FY 2012 Premium Allocation by Agency

BU	Agency	Entity	Auto		Aviation		General		Property					Total	
			Liability	C/C	Aircraft	Airport	Liability	Misc.	Property	B&M	Crime	Fine Arts	Misc.		
61010	Administration	Administration	3,180	2,176	-	-	88,616	-	325,841	3,673	2,527	-	-	-	426,013
61050	Administration	Teachers Retirement	-	-	-	-	2,818	-	-	-	80	-	-	-	2,898
61040	Administration	PERD	-	-	-	-	5,910	634	-	-	169	-	-	-	6,713
61080	Administration	Public Defenders Office	492	3,150	-	-	32,666	2,913	-	-	932	-	-	-	40,153
62010	Agriculture	Agriculture	3,571	5,459	-	-	28,271	-	-	75	590	-	-	-	41,251
34010	Auditor's Office	Auditor's Office	-	246	-	-	10,353	604	-	-	360	-	-	-	11,563
51150	Board of Education	State Library	137	302	-	-	5,375	1,443	-	-	176	-	-	-	7,433
51140	Board of Education	MT Arts Council	-	-	-	-	1,043	98	-	-	34	-	-	-	1,175
51010	Board of Education	Board of Education	-	-	-	-	556	23	-	-	18	-	-	-	597
51130	Board of Education	School for Deaf & Blind	1,346	2,769	-	-	12,323	19,369	375	-	404	-	-	-	36,586
65010	Commerce	Commerce	55	337	-	-	47,254	30,220	-	-	874	-	-	-	78,740
65010	Commerce	Heritage Commission	228	313	-	-	6,653	27,220	-	-	123	1,216	-	-	35,753
32020	Comm. of Political Practices	Comm. Of Political Practices	-	-	-	-	766	-	-	-	27	-	-	-	793
64010	Corrections	Board of Pardons	-	-	-	-	4,295	138	75	-	42	-	-	-	4,550
64010	Corrections	Corrections	3,970	-	-	-	177,450	8,361	225	-	1,718	-	-	-	191,724
64010	Corrections	State Prison	11,534	7,318	-	-	287,014	86,137	5,022	2,779	-	-	-	-	399,804
64010	Corrections	Prison Industries	10,137	2,268	-	-	38,652	31,284	1,124	374	-	-	-	-	83,839
64010	Corrections	Women's Corr. Ctr.	329	-	-	-	33,529	24,648	375	325	-	8	-	-	59,214
64010	Corrections	Treasure State CC	218	-	-	-	12,644	3,808	150	122	-	-	-	-	16,942
64010	Corrections	Riverside	439	-	-	-	15,744	5,944	300	152	-	-	-	-	22,579
64010	Corrections	Pine Hills	1,020	-	-	-	64,580	19,675	375	625	-	-	-	-	86,275
53010	Environmental Quality	Environmental Quality	9,295	17,225	-	-	137,793	6,175	750	2,177	-	-	-	-	173,415
52010	Fish, Wildlife, & Parks	Fish, Wildlife, & Parks	22,085	13,731	64,651	-	120,019	63,777	974	3,571	1,552	2,519	-	-	292,879
11040	Elected Officials	Legislative Branch	-	-	-	-	20,327	3,331	-	839	-	-	-	-	24,497
31010	Elected Officials	Governor's Office	-	604	8,404	-	6,860	-	-	283	16	-	-	-	16,167
11120	Elected Officials	Consumer Counsel	-	-	-	-	612	103	-	25	-	-	-	-	740
32010	Elected Officials	Secretary of State	-	382	-	-	6,928	622	-	286	14	-	-	-	8,232
51170	Historical Society	Historical Society	-	15	-	-	10,588	6,681	-	304	36,310	-	-	-	53,898
41100	Justice	Justice	38,799	102,830	7,755	-	225,060	29,941	974	3,633	-	-	-	-	408,992
41070	Justice	Crime Control	162	191	-	-	5,644	249	-	91	-	-	-	-	6,337
66020	Labor & Industry	Labor & Industry	8,778	27,655	-	-	107,786	16,084	1,049	3,854	-	-	-	-	165,206
56030	Livestock	Livestock	4,986	2,844	35,603	-	23,569	523	-	647	-	-	-	-	68,172
67010	Military Affairs	Military Affairs	593	13,099	-	-	54,843	124,522	2,099	853	-	-	-	-	196,009
57060	Natural Resources	Swan River	-	-	-	-	-	3,460	225	-	-	-	-	-	3,685
57060	Natural Resources	Natural Resources	30,858	49,568	59,106	-	84,184	39,916	300	2,663	-	3,135	-	-	269,730
69010	DPHHS	State Hospital	3,995	897	-	-	168,915	65,421	675	1,849	-	-	-	565	242,317
69010	DPHHS	CF Vet's Home	986	676	-	-	53,670	16,126	525	588	2	1,250	-	-	73,823
69010	DPHHS	Mental Health Nursing Care Ctr	786	828	-	-	51,174	8,774	225	560	-	-	818	-	63,165
69010	DPHHS	Glendive Vet's Home	589	900	-	-	416	7,365	150	5	-	-	-	-	9,425
69010	DPHHS	DPHHS	7,578	32,643	-	-	816,349	30,961	600	8,938	-	-	-	-	897,069
69010	DPHHS	MT Dev. Ctr.	4,137	2,150	-	-	111,500	31,044	1,949	1,221	-	226	-	-	152,227
69010	DPHHS	MT Chem. Dep. Ctr.	295	-	-	-	22,883	443	-	251	-	100	-	-	23,972
35010	Office of Public Instr.	Office of Public Instr.	676	611	-	-	20,119	1,044	-	848	-	-	-	-	23,298
42010	Public Service Comm.	Public Service Comm.	343	405	-	-	7,100	472	-	178	-	-	-	-	8,498
58010	Revenue	Revenue	5,751	38,596	-	-	80,133	24,398	-	3,062	-	-	-	-	151,940
21100	Supreme Court	Supreme Court	3,245	2,338	-	-	64,239	7,672	-	1,869	-	-	-	-	79,363
61030	State Fund	State Fund	2,396	4,934	-	-	222,195	14,487	300	1,357	-	-	-	-	245,669
54010	Transportation	Transportation	381	3,444	28,185	8,750	2,181,122	170,330	1,799	10,359	11	3,500	-	-	2,407,881
54010	Transportation	Motor Pool	111,249	-	-	-	-	-	-	-	-	-	-	-	111,249
54010	Transportation	Equipment	229,582	-	-	-	-	-	-	-	-	-	-	-	229,582
51030	University System	UM	42,848	43,547	-	-	436,055	7,781	907,221	6,895	13,206	5,740	-	-	1,463,293
51080	University System	Western	2,787	1,827	-	-	32,235	94,241	1,499	976	56	-	-	-	133,621
51020	University System	Comm. Of Higher Ed	-	-	-	-	17,017	65,170	913	515	-	1,729	-	-	85,344
51100	University System	MSU Extension Service	2,422	2,381	-	-	23,805	645	-	721	-	-	-	-	29,974
51190	University System	MSU FSTS	3,460	5,465	-	-	1,426	263	-	43	-	-	-	-	10,657
51090	University System	MSU AES	27,214	20,392	-	-	34,132	35,986	150	1,034	-	-	-	-	118,908
51060	University System	MSU Billings	6,823	7,579	-	-	87,119	201,273	2,773	2,638	182	-	-	-	308,387
35130	University System	GF COT	1,120	638	-	-	25,915	53,209	1,274	785	6	-	-	-	82,947
35140	University System	Helena COT	2,369	2,177	-	-	13,643	41,922	899	413	7	-	-	-	61,430
51040	University System	MSU Bozeman	36,330	29,644	-	-	418,731	1,114,642	3,523	12,682	8,295	-	-	-	1,623,847
51050	University System	MT Tech	8,351	9,334	-	-	70,158	162,420	1,349	2,125	74	-	-	-	253,811
51070	University System	MSU Northern	11,267	1,926	-	-	36,274	97,282	2,848	1,099	11	12,500	-	-	163,207
		FY 2012 Premium	1,135,000		212,451		6,750,000			4,200,000					12,297,451
		FY 2010 Premium	1,135,000		212,451		6,750,000			4,200,000					12,297,451
		% Change	0.00%		0.00%		0.00%			0.00%					0.00%

FY 2013 Premium Allocation by Agency

BU	Agency	Entity	Auto		Aviation		General		Property					Total
			Liability	C/C	Aircraft	Airport	Liability	Misc.	Property	B&M	Crime	Fine Arts	Misc.	
61010	Administration	Administration	2,982	6,718	-	-	87,868	-	327,347	3,785	2,480	-	-	431,180
61050	Administration	Teachers Retirement	-	-	-	-	2,873	-	-	-	81	-	-	2,954
61040	Administration	PERD	-	-	-	-	6,305	-	624	-	178	-	-	7,107
61080	Administration	Public Defenders Office	419	3,234	-	-	32,962	-	3,578	-	930	-	-	41,123
62010	Agriculture	Agriculture	3,306	6,796	-	-	28,271	-	3,360	74	596	-	-	42,403
34010	Auditor's Office	Auditor's Office	-	418	-	-	10,353	-	595	-	385	-	-	11,751
51150	Board of Education	State Library	-	434	-	-	5,393	-	1,419	-	177	-	-	7,423
51140	Board of Education	MT Arts Council	-	-	-	-	1,229	-	96	-	40	-	-	1,365
51010	Board of Education	Board of Education	-	-	-	-	547	-	23	-	18	-	-	588
51130	Board of Education	School for Deaf & Blind	1,374	2,119	-	-	12,128	-	19,054	223	399	-	-	35,297
65010	Commerce	Commerce	104	328	-	-	47,702	-	24,620	-	935	1	-	73,690
65010	Commerce	Heritage Commission	158	510	-	-	6,205	-	27,589	-	122	1,270	-	35,854
32020	Comm. of Political Practices	Comm. Of Political Practices	-	-	-	-	766	-	-	-	27	-	-	793
64010	Corrections	Board of Pardons	-	-	-	-	4,658	-	76	-	46	-	-	4,780
64010	Corrections	Corrections	1,925	-	-	-	185,275	-	14,699	223	1,812	-	-	203,934
64010	Corrections	State Prison	11,999	8,402	-	-	291,559	-	85,796	5,418	2,851	-	-	406,025
64010	Corrections	Prison Industries	9,727	2,260	-	-	30,753	-	30,775	1,113	301	-	-	74,929
64010	Corrections	Women's Corr. Ctr.	319	-	-	-	32,739	-	24,247	371	320	9	-	58,005
64010	Corrections	Treasure State CC	212	-	-	-	12,347	-	3,746	148	121	-	-	16,574
64010	Corrections	Riverside	426	-	-	-	15,609	-	5,848	297	153	-	-	22,333
64010	Corrections	Pine Hills	991	-	-	-	60,967	-	19,356	371	596	-	-	82,281
53010	Environmental Quality	Environmental Quality	8,606	13,881	-	-	137,793	-	4,744	668	2,269	-	-	167,961
52010	Fish, Wildlife, & Parks	Fish, Wildlife, & Parks	20,449	15,102	59,356	-	120,019	-	63,839	1,187	3,525	1,620	2,519	287,616
11040	Elected Officials	Legislative Branch	-	-	-	-	20,560	-	3,241	-	833	-	-	24,634
31010	Elected Officials	Governor's Office	-	698	14,728	-	6,929	-	-	-	281	17	-	22,653
11120	Elected Officials	Consumer Counsel	-	-	-	-	616	-	102	-	25	-	-	743
32010	Elected Officials	Secretary of State	-	227	-	-	6,623	-	630	-	268	14	-	7,762
51170	Historical Society	Historical Society	-	15	-	-	10,588	-	6,624	-	313	38,747	-	56,287
41100	Justice	Justice	35,938	110,587	7,794	-	225,139	-	31,716	668	3,645	-	-	415,487
41070	Justice	Crime Control	137	102	-	-	5,565	-	245	-	90	-	-	6,139
66020	Labor & Industry	Labor & Industry	8,128	24,898	-	-	107,786	-	16,028	1,039	4,074	-	-	161,953
56030	Livestock	Livestock	4,617	2,601	35,783	-	23,569	-	590	-	649	-	-	67,809
67010	Military Affairs	Military Affairs	547	15,315	-	-	54,843	-	122,499	2,078	909	-	-	196,191
57060	Natural Resources	Swan River	-	-	-	-	-	-	3,404	223	-	-	-	3,627
57060	Natural Resources	Natural Resources	28,571	59,139	59,407	-	84,184	-	43,031	297	2,710	-	3,135	280,474
69010	DPHHS	State Hospital	3,496	1,256	-	-	171,011	-	47,885	668	1,867	-	-	226,748
69010	DPHHS	CF Vet's Home	907	1,443	-	-	58,930	-	15,874	520	643	2	1,250	79,569
69010	DPHHS	Mental Health Nursing Care Ctr	722	1,126	-	-	50,429	-	8,631	223	550	-	818	62,499
69010	DPHHS	Glendive Vet's Home	864	945	-	-	413	-	7,270	297	5	-	-	9,794
69010	DPHHS	DPHHS	6,787	36,230	-	-	809,729	-	32,509	594	8,839	-	-	894,688
69010	DPHHS	MT Dev. Ctr.	3,958	1,979	-	-	109,738	-	30,540	2,004	1,198	-	226	149,643
69010	DPHHS	MT Chem. Dep. Ctr.	272	-	-	-	24,657	-	437	-	269	-	100	25,735
35010	Office of Pubic Instr.	Office of Public Instr.	628	539	-	-	20,119	-	843	-	922	-	-	23,051
42010	Public Service Comm.	Public Service Comm.	317	349	-	-	7,100	-	464	-	182	-	-	8,412
58010	Revenue	Revenue	5,325	38,931	-	-	80,133	-	24,227	-	3,074	-	-	151,690
21100	Supreme Court	Supreme Court	3,005	4,068	-	-	64,239	-	7,898	-	1,868	-	-	81,078
61030	State Fund	State Fund	2,219	4,743	-	-	222,195	-	14,255	297	1,349	-	-	245,058
54010	Transportation	Transportation	348	3,323	26,634	8,750	2,181,122	-	170,908	1,855	10,132	12	3,500	2,406,584
54010	Transportation	Motor Pool	106,330	-	-	-	-	-	-	-	-	-	-	106,330
54010	Transportation	Equipment	209,260	-	-	-	-	-	-	-	-	-	-	209,260
51030	University System	UM	39,442	55,225	-	-	448,120	7,781	922,699	7,125	13,461	2,784	-	1,496,637
51080	University System	Western	2,747	2,689	-	-	33,078	-	92,879	1,484	994	59	-	133,930
51020	University System	Comm. Of Higher Ed	-	-	-	-	16,687	65,170	461	-	501	-	1,729	84,548
51100	University System	MSU Extension Service	2,365	3,134	-	-	21,483	-	653	-	645	-	-	28,280
51190	University System	MSU FSTS	3,312	6,185	-	-	1,422	-	258	-	43	-	-	11,220
51090	University System	MSU AES	25,017	22,851	-	-	31,889	-	38,229	148	958	-	-	119,092
51060	University System	MSU Billings	6,749	13,006	-	-	85,595	-	199,455	2,746	2,571	212	-	310,334
35130	University System	GF COT	1,101	716	-	-	26,998	-	52,345	520	811	6	-	82,497
35140	University System	Helena COT	2,356	2,247	-	-	13,318	-	41,241	891	400	7	-	60,460
51040	University System	MSU Bozeman	33,854	25,151	-	-	404,758	-	1,103,470	3,562	12,159	8,657	-	1,591,611
51050	University System	MT Tech	7,204	12,590	-	-	76,434	-	176,348	1,336	2,296	77	-	276,285
51070	University System	MSU Northern	10,101	2,869	-	-	36,731	-	96,270	3,117	1,103	7	12,500	162,698
		FY 2013 Premium	1,135,000		212,451		6,750,000				4,200,000			12,297,451
		FY 2010 Premium	1,135,000		212,451		6,750,000				4,200,000			12,297,451
		% Change	0.00%		0.00%		0.00%				0.00%			0.00%